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May 18, 2016

VIA E-MAIL AND OVERNIGHT MAIL

Frank X. Cardiello, Esq.
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region 2
290 Broadway
New York, NY 10007-1866

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Document

**Re: LCP Chemicals, Inc. Superfund Site
Supplemental Response of ISP to EPA's
Modified 104e Request for Information**

Dear Mr. Cardiello:

As you know, this firm has been retained to represent International Specialty Products, Inc. ("ISP") in connection with the LCP Site in Linden, New Jersey.

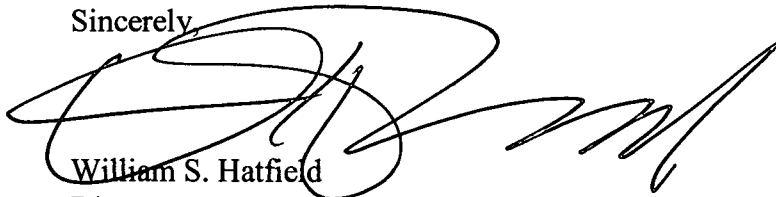
As a supplement to ISP's prior submission on April 15, 2106, we have enclosed additional documentation in response to Question No. 5 of EPA's Request for Information in the Matter of LCP Chemicals, Inc. Superfund Site dated January 29, 2016, as amended and modified by EPA's February 15, 2016 letter. This documentation includes ISP's Form 10-K filing for the year ended December 31, 1991, which was recently produced by the Heyman defendants and Linden Property Holdings, LLC ("LPH") in the litigation captioned Ashland Inc., et al. v. The Samuel J. Heyman 1981 Continuing Trust for Lazarus S. Heyman, et al., C.A. No. N15C-10-176 EMD CCLD, which is currently pending in Delaware State Court.

As discussed and agreed, this response is based on the information available to ISP at this time. ISP will supplement its response after additional information is gathered and becomes available.

In the interim, please contact me if you have any questions concerning this matter.

Thank you.

Sincerely,



William S. Hatfield
Director

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GIBBONS P.C.

Frank X. Cardello, Esq.
May 18, 2016
Page 2

cc: Thomas Carroll, Esq. - Department of Justice (Enclosure via email, w/o Binder)

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

BEST AVAILABLE
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1991 FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1991

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from

to

Commission File Number 33-44862

ISP CHEMICALS INC.

Delaware
(State of Incorporation)

Rt. 95 Industrial Area, P.O. Box 37
Calvert City, Kentucky
(Address of Principal Executive Office)

13-3416260
(I.R.S. Employer
Identification No.)

42029
(Zip Code)

Registrant's telephone number, including area code: (502) 395-4165
Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act: None

Commission File Number 33-44862-01

ISP TECHNOLOGIES INC.

Delaware
(State of Incorporation)

State Highway 146 & Industrial Road
Texas City, Texas
(Address of Principal Executive Office)

51-8333795
(I.R.S. Employer
Identification No.)

77590
(Zip Code)

Registrant's telephone number, including area code: (409) 945-3411
Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act: None

Commission File Number 33-44862-02

INTERNATIONAL SPECIALTY PRODUCTS INC.

Delaware
(State of Incorporation)

818 Washington Street
Wilmington, Delaware
(Address of Principal Executive Office)

51-8333696
(I.R.S. Employer
Identification No.)

19801
(Zip Code)

Registrant's telephone number, including area code: (302) 439-8554
Securities registered pursuant to Section 12(b) of the Act: None

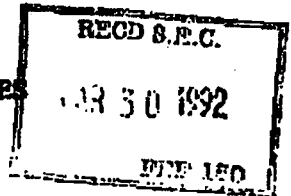
Title of Each Class

Common Stock, par value \$.01 per share

Name of Each Exchange on
Which Registered

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None



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THE 31 1992
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DISCLOSURE
INCORPORATED

LLPX



page 1 of 69

Exhibit Index appears on page 17

(Continued on following page.)

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(Continued from previous page.)

See Table of Additional Registrants Below

Indicate by check mark whether each registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best knowledge of International Specialty Products Inc., in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

As of March 13, 1992, ISP Chemicals Inc. and ISP Technologies Inc. each had 10 shares of common stock outstanding. No shares are held by non-affiliates.

As of March 13, 1992, 99,888,646 shares of common stock of International Specialty Products Inc. were outstanding. The aggregate market value of the voting stock held by non-affiliates of International Specialty Products Inc. as of March 13, 1992 was \$208,336,301. The aggregate market value was computed by reference to the closing price on the New York Stock Exchange of International Specialty Products Inc.'s Common Stock on such date (\$10.75.) For purposes of this computation, voting stock held by officers and directors of all of the registrants and GAF Chemicals Corporation, an affiliate of International Specialty Products Inc., has been excluded. Such exclusion is not intended, and shall not be deemed, to be an admission that such officers and directors are affiliates of International Specialty Products Inc.

As of March 13, 1992, each of the additional registrants had the number of shares outstanding which is shown on the table below. No shares are held by non-affiliates.

DOCUMENTS INCORPORATED BY REFERENCE

The Annual Report to Stockholders of International Specialty Products Inc. for the year ended December 31, 1991 is incorporated by reference in Part I, Item 1, and in Part II, Items 6, 7 and 8.

ADDITIONAL REGISTRANTS

Exact name of registrant as specified in its Charter	State or other jurisdiction of incorporation or organization	No. of Shares Outstanding	Commission File No.	I.R.S. Employer Identification No.	Address, including zip code, and telephone number, including area code, of registrant's principal executive office
9 ISP (PUERTO RICO) INC.	Delaware	10	33-44862-03	13-2626732	Suite 206B Iruagui Plaza 65th Infanteria Ave. Rio Piedra, Puerto Rico 00924 (809) 768-3400
5. ISP ENVIRONMENTAL SERVICES INC.	Delaware	10	33-44862-04	51-0333801	1361 Alps Road Wayne, NJ 07470 (201) 628-3000
6. ISP FILTERS INC.	Delaware	10	33-44862-05	51-0333796	12916 Farmington Road Livonia, MI 48150 (313) 421-8630
7. ISP GLOBAL TECHNOLOGIES INC.	Delaware	10	33-44862-06	51-0333802	818 Washington Street Wilmington, DE 19801 (302) 429-7492
8. ISP INTERNATIONAL CORP.	Delaware	10	33-44862-07	51-0333734	818 Washington Street Wilmington, DE 19801 (302) 429-7493
9. ISP INVESTMENTS INC.	Delaware	10	33-44862-08	51-0333803	818 Washington Street Wilmington, DE 19801 (302) 429-7496
10 ISP MANAGEMENT COMPANY, INC.	Delaware	10	33-44862-09	51-0333800	1361 Alps Road Wayne, NJ 07470 (201) 628-3000
11. ISP MINERAL PRODUCTS INC.	Delaware	10	33-44862-10	51-0333794	34 Charles Street Hagerstown, MD 21740 (301) 733-4000
12. ISP MINERALS INC.	Delaware	10	33-44862-11	51-0333798	Route 116 Blue Ridge Summit, PA 17214 (717) 794-2184
13. ISP REAL ESTATE COMPANY, INC.	Delaware	2	33-44862-12	22-2886551	1361 Alps Road Wayne, NJ 07470 (201) 628-3000
14. ISP REALTY CORPORATION	Delaware	1000	33-44862-13	13-2720081	1361 Alps Road Wayne, NJ 07470 (201) 628-3000
15. VERONA INC.	Delaware	100	33-44862-14	22-3036319	NCNB Plaza, Suite 300 7 North Laurens Street Greenville, SC 29601 (803) 271-9194
16. BLUEHALL INCORPORATED	Delaware	1	33-44862-15	13-3335905	818 Washington Street Wilmington, DE 19801 (302) 451-0165

PART I

Item 1. Business

General

International Specialty Products Inc. (the "Company") is a leading multinational manufacturer of specialty chemical products, including specialty derivative chemicals, mineral products, filler products and advanced materials.

The Company, incorporated in Delaware in 1991, operates its business exclusively through 15 domestic subsidiaries consisting of ISP Chemicals Inc. ("ISP Chemicals"), ISP Technologies Inc. ("ISP Technologies"), the additional registrant, 20 foreign subsidiaries and a joint venture with Huls Aktiengesellschaft, a German corporation ("Huls"), in which the Company has a 50% interest and which operates under the name GAF-Huls Chemie GmbH ("GAF-Huls"). The Company acquired these subsidiaries and its interest in GAF-Huls from an affiliate, GAF Chemicals Corporation ("GCC") in May 1991 in a stock acquisition (the "Stock Acquisition"). All historical financial data relating to the Company contained in or incorporated by reference in this report have been prepared to reflect the formation of the Company, the Stock Acquisition and the allocation of certain expenses. See Notes 1 and 11 of Notes to Consolidated Financial Statements of the Company contained in the Company's Annual Report to Stockholders for the year ended December 31, 1991 (the "Annual Report"). In July 1991, the Company completed an initial public offering of 19,388,646 shares or 19.4% of its common stock (the "Initial Public Offering"). Subsequent to the Initial Public Offering, the Company has been an 80.6% owned subsidiary of GCC. GCC is a wholly-owned subsidiary of G Industries Corp. ("G Industries"). G Industries is a holding company which also owns directly 100% of the capital stock of two operating subsidiaries, GAF Building Materials Corporation ("Building Materials") and GAF Broadcasting Company Inc. ("Broadcasting"). G Industries is a wholly-owned subsidiary of G-I Holdings Inc. ("G-I Holdings"). G-I Holdings is a wholly-owned subsidiary of GAF Corporation ("GAF").

The Company is indirectly controlled by Samuel J. Heyman, Chairman of the Board of Directors and Chief Executive Officer of the Company and GAF. See "Item 12. Security Ownership of Certain Beneficial Owners and Management."

ISP Chemicals, ISP Technologies and the additional registrant are consolidated subsidiaries of the Company and contribute all of the domestic subsidiaries of the Company. ISP Chemicals was incorporated in Delaware in 1987 under the name Nordanham Inc. ISP Technologies was incorporated in Delaware in 1991 under the name ISP 6 Corp.

This address and telephone number for the principal executive offices of the Company are: 818 Washington Street, Wilmington, Delaware 19801; (302) 429-8354 or (800) 526-5315. The address and telephone number for the principal executive offices of ISP Chemicals are: Route 95 Industrial Area, P. O. Box 37, Calvert City, Kentucky 42029; (502) 395-4165. The address and telephone number for the principal executive offices of ISP Technologies are: State Highway 146 and Industrial Road, Texas City, Texas 77590; (409) 945-3411.

Financial information concerning the Company's industry segments and foreign and domestic operations required by Item 1 is included in Notes 12, 13 and 14 to the Consolidated Financial Statements of the Company contained in the Annual Report.

Specialty Derivative Chemicals

Products and Markets. The Company manufactures more than 200 specialty derivative chemicals having numerous applications in consumer and industrial products. Most of the Company's specialty derivative chemicals are derived from ecyclohex. Specialty derivative chemicals consist of five main groups of products: vinyl ethers, polymers, solvents, intermediates and specialty preservatives.

Vinyl ether polymers are used in cosmetics and personal care products and pharmaceutical and health-related products, primarily in hair care products, dental care products and detergent formulations. Vinyl ether monomers and oligomers are used in coatings and ink for both consumer and industrial products.

Polyvinyl pyrrolidone polymers are used primarily in cosmetics and personal care products, pharmaceutical and health-related products and food and beverages, such as drug and vitamin tablet disintegrants; clarifiers and chill-hazing agents for beer, wine and fruit juices; microbicidal products for human and veterinary applications; hair care products such as mousses, conditioners, gels and gels; ingredients in water-resistant mascara, sunscreen and lipstick; film-formers in polishes for consumer and industrial applications and a dispersant in agricultural chemical formulations.

Solvents are sold to customers for use in agricultural chemicals, pharmaceuticals, lithography, wire enamel production, adhesives, plastics, electronic microchips and integrated circuits, lubricating oil extraction and gas purification applications. The Company's family of solvents includes N-methyl pyrrolidone, butyrolactone and tetrahydrofuran, certain of which are used by the Company as raw materials in the manufacture of polymers.

Intermediates are manufactured primarily for use by the Company as raw materials in manufacturing solvents, polymers and vinyl ethers. Some intermediates are also sold to customers for use in the manufacture of engineering plastics and elastomers, agricultural chemicals, oil production auxiliaries and other products.

Specialty preservatives are proprietary products that are marketed worldwide to the cosmetics and personal care industries. The Company sells a number of preservative products, including Germall 115, Germall II and Germaben II. Uses include baby preparations, eye makeup, facial makeup, after-shave and nail, bath, hair and skin preparations.

Marketing and Sales. The Company markets its specialty derivative chemicals through a worldwide marketing and sales force, consisting of approximately 250 employees. The Company conducts its marketing and domestic sales from offices strategically located throughout the United States. The Company markets all of its specialty derivative chemicals worldwide. The Company sells its products in 72 countries through 20 subsidiaries and 29 sales offices in Western and Eastern Europe, Canada, Latin America and the Asia-Pacific region. Services of local distributors are also used to reach markets that might otherwise be unavailable to the Company.

Raw Materials. The principal raw materials used in the manufacture of specialty derivative chemicals are acetylene, formaldehyde, methanol and methylamine. Most of these raw materials are obtained from outside sources pursuant to long-term supply agreements. Acetylene, a significant raw material used in the production of most specialty derivative chemicals, is obtained by the Company for domestic use from two unaffiliated suppliers pursuant to long-term supply contracts. At the Company's Texas City and Seadrift, Texas plants, acetylene is supplied by a large multinational company that generates this raw material as a by-product from ethylene manufacture. At the Company's Calvert City, Kentucky facility, acetylene is supplied by a company that generates it from calcium carbide. The acetylene utilized by GAF-Hills is produced by HILL, using a proprietary electric arc process, sourced from various hydrocarbon feedstocks. The Company believes that this diversity of supply sources, using a number of production technologies (ethylene by-product, calcium carbide and the electric arc), tends to create a reliable supply of acetylene. In the event of a substantial interruption in the supply of acetylene from current sources, no assurances can be made that the Company would be able to obtain as much acetylene from other sources as would be necessary to meet its supply requirements. The Company has not experienced an interruption of its acetylene supply that has had a material adverse effect on its sales of specialty derivative chemicals.

With regard to raw materials other than acetylene, the Company believes that in the event of a supply interruption it could obtain adequate supplies from alternate sources. Raw materials derived from petroleum or natural gas are used in many of the Company's manufacturing processes and, consequently, the price and availability of petroleum and natural gas could be material to the Company's operations. During the latter part of 1990, crude oil prices increased due to the crisis in the Middle East. Despite such increases, the Company continued to obtain an adequate supply of petroleum-based raw materials as a result of spot market purchases from a number of suppliers. During 1991, the Company obtained and expects to continue to obtain adequate supplies of these products at reasonable costs, although there can be no assurance that it will do so.

Mineral Products

Products and Markets. The Company manufactures mineral products consisting of ceramic colored roofing granules, which are produced from rock deposits that are mined and ground at the Company's quarries and colored using a ceramic chemical coloring process. The Company's mineral roofing granules are sold primarily to the North American roofing industry for use in the manufacture of asphalt roofing shingles, for which they provide weather resistance, decorative coloring, heat deflection and increased weight. The Company is one of only two major suppliers of colored roofing granules in North America, the other being Minnesota Mining & Manufacturing Company. The Company also markets granite by-products for use as mineral filler for asphalt roofing products and the construction of clay tennis courts.

The Company estimates that more than 80% of the asphalt shingles currently produced by the roofing industry are sold for the reroofing/replacement market, in which demand is driven not by the pace of new home construction but by the needs of homeowners to replace existing roofs. The Company estimates that the balance of the roofing industry's asphalt shingle production historically has been sold primarily for use in new housing construction. Sales of the Company's colored mineral granules have benefited from a trend toward the increased use of heavyweight, three-dimensional laminated roofing shingles, which require, on average, approximately 40% more granules than traditional three-tab, lightweight roofing shingles.

Marketing and Sales. The Company's mineral products are sold to asphalt roofing manufacturers throughout the United States. GAF Building Materials Corporation ("GAF Building Materials"), an affiliate of the Company, purchases 100% of its colored roofing granule requirements from the Company (except for the requirements of its California roofing plant) under a contract that expires December 31, 1993. These purchases constitute approximately 37% of the Company's mineral products net sales. See "Certain Transactions -- Sales to Affiliates."

Raw Materials. The Company owns rock deposits that have specific performance characteristics, including weatherability, the ability to reflect UV light, abrasion-resistance, non-staining characteristics and the ability to absorb pigments. The Company owns three quarries, each with proven reserves, based on current production levels, of more than 20 years. The Company has in recent years purchased land adjacent to its quarries for potential additional reserves.

Filter Products and Advanced Materials

The Company manufactures filter products, consisting of pressure filter vessels, filter bags, filter systems, cartridges and cartridge housings. These filter products are designed for the treatment of process liquids in the paint, automotive, chemical, pharmaceutical, petroleum and food and beverage industries.

While the primary market for the Company's filter products has traditionally been in Europe, three years ago the Company began to expand its market penetration in the Asia-Pacific region. The Company in 1990 entered the United States market, establishing domestic distribution facilities in Michigan.

The Company manufactures a variety of advanced materials, consisting of high-purity carbonyl iron products, sold under the Company's trademark "Micropowder", used in a variety of advanced technology applications for the aerospace and defense, electronics, powder metallurgy, pharmaceutical and food industries. It also produces a grade of iron product, sold under the trademark "Ferromyl", for use as a vitamin supplement.

The primary market for the Company's advanced materials is the domestic defense industry, which employs these products in a variety of coating systems for stealth purposes in aircraft and naval ships.

Competition

The Company believes that, except for basenated and tetrahydrofuran, it is either the first or second largest seller worldwide of most of its specialty derivative chemicals. The Company's major competitor is BASF Aktiengesellschaft ("BASF"). Butanediol, which the Company produces primarily for use as a raw material, is also manufactured by a limited number of companies in the United States, Germany and Japan.

Tetrahydrofuran is manufactured by a number of companies throughout the world. While there are companies, other than the Company and BASF, that manufacture a limited number of the Company's other specialty derivative chemicals, the market position of these companies is much smaller than that of the Company. In addition to the Company's competition as noted above, there are other companies that produce substitutable products for a number of the Company's specialty derivative chemicals.

With regard to its mineral products, the Company has only one major and one smaller competitor. With respect to filter products, the Company competes with a number of companies worldwide. With respect to advanced materials, the Company is the sole domestic manufacturer of carbonyl iron powders and one of only two manufacturers worldwide.

Research and Development.

The Company's research and development department, consisting of approximately 200 persons dedicated principally to specialty derivative chemicals, is located primarily at the Company's worldwide technical center and laboratories in Wayne, New Jersey. Additional research and development is conducted at the Company's Calvert City, Kentucky and Texas City, Texas plant sites, Chatham, New Jersey facility and laboratories in the United Kingdom and Singapore.

The Company's mineral products research and development facility, together with its recently opened customer design and color center, is located at Hagerstown, Maryland.

The Company's research and development expenses are presented in Note 3 to the Consolidated Financial Statements of the Company contained in the Annual Report.

Patents and Trademarks

The Company owns approximately 413 domestic and 216 foreign patents and owns or is the exclusive licensee of approximately 60 domestic and 850 foreign trademark registrations related to the business of the Company. The Company does not believe that any of its patents, patent applications or trademarks is material to its business or operations.

Environmental Compliance

Since 1970, a wide variety of federal, state and local environmental laws and regulations have been adopted, and environmental laws and regulations continue to be adopted and amended. By reason of the nature of the operations of the Company and its predecessor and certain of the substances that are, or have been used, produced or discharged by their plants or at other locations, the Company is affected by these laws and regulations.

The Clean Air Act, as amended, the Clean Water Act, as amended, the Safe Drinking Water Act, as amended, and similar state or local counterparts of these Federal laws regulate air and water emissions or discharges into the environment. The Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or "Superfund") and the Superfund Amendments and Reauthorization Act of 1986, among others, address the generation, storage, treatment, transportation and disposal of solid waste, and releases, and preparedness in the event of releases, of hazardous substances to the environment. The Company's current operations require compliance with the above specified laws as well as the Toxic Substances Control Act and related laws designed to assess the risk to health or the environment at early developmental stages of new products. In addition, the Company is subject to workplace safety and health standards regulated by the Occupational Safety and Health Act and laws already adopted or proposed in various states that require that industrial property be environmentally sound if operations cease or the property is transferred or sold. See "— Legal Proceedings."

The Company believes that compliance with environmental control requirements as presently interpreted and enforced will not materially affect its capital expenditures, business or financial position. See Note 16 of the Notes to the Consolidated Financial Statements in the Company's Annual Report.

Employees

At December 31, 1991, the Company employed approximately 2,265 people worldwide. At that date, approximately 750 employees in the United States and Canada were subject to eight union contracts, which are effective in most cases for two- or three-year periods. Of these contracts, one expired and was renegotiated in 1991. The Company is currently negotiating a contract with a new bargaining unit that was recently certified. The Company believes that its relations with its employees and their unions are satisfactory.

The Company has in effect various benefit plans, which include a non-qualified retirement plan for a group of executives, capital accumulation plans for its salaried employees and certain of its hourly employees, a flexible benefit plan for its salaried employees, a non-contributory defined benefit retirement plan for its hourly employees, group insurance agreements providing life, accidental death, disability, hospital, surgical, medical and dental coverage. In addition, the Company has contracted with various health maintenance organizations to provide medical benefits and a non-qualified retirement plan for a group of executives. The Company and, in many cases, its employees contribute to the cost of these plans.

Recent Events

In March 1992, ISP Chemicals and ISP Technologies (the "Issuers") issued \$200 million of 9% Senior Notes (the "Notes"), due 1999. The Notes are guaranteed by the Company and all of the additional Registrants (the "Subsidiary Guarantors"). The net proceeds from the issuance of the Notes were paid as dividends by the Issuers to the Company and used by the Company to repay a portion of an intercompany term note to G Industries, and by G Industries to repay a portion of the term loan under a Credit Agreement dated September 17, 1990 among G Industries, the lenders party thereto, The Bank of New York, The Bank of Nova Scotia, Banque Paribas and The Chase Manhattan Bank (National Association), as Co-Agents and co-arrangers, and The Chase Manhattan Bank (National Association), as administrative agent (the "Credit Agreement").

The Notes are general, unsecured obligations of the Issuers. Upon issuance of the Notes, the Credit Agreement was amended, with the Issuers assuming G Industries' obligations under the Credit Agreement, including the \$105 million term loan and a combined \$200 million revolving credit/letter of credit facility (except for obligations related to letters of credit issued on behalf of Subsidiaries of G Industries other than the Company and its subsidiaries, which are limited to \$40 million). In addition, all liens on assets of the Company, the Issuers and the Subsidiary Guarantors securing the indebtedness under the Credit Agreement were released, with the result that the remaining bank indebtedness and the Notes rank *pari passu*.

Item 2. Properties

The Company's administrative subsidiary maintains its corporate headquarters and principal research and development laboratories at a 100-acre campus-like, office and research park owned by a subsidiary of the Company at 1361 Alps Road, Wayne, New Jersey 07470. The Company maintains its principal office at 818 Washington Street, Wilmington, Delaware 19801.

The Company's specialty derivative chemical products are manufactured at four plants in the United States and at the GAF-Huls plant in Marl, Germany. The Company's mineral granule products are currently produced at three plants in the United States, each of which performs mining, milling, screening and coloring operations. The Company's filter products are manufactured at four plants outside of the United States. Advanced materials are manufactured at one plant in the United States.

The Company's principal domestic and foreign real properties are either owned by, or leased to, the Company's subsidiaries as described below. Unless otherwise indicated, the properties are owned in fee. The Company's domestic and international sales offices and warehouses generally are leased under relatively short-term leases.

<u>Location</u>	<u>Facility</u>	<u>Product Lines</u>
DOMESTIC		
Alabama		
Huntsville	Plant*	Advanced Materials
Kentucky		
Caldert City	Plant	Specialty Derivative Chemicals
Maryland		
Hagerstown	Research Center, Design Center, Sales Office	Mineral Products
Michigan		
Livonia	Warehouse, Distribution Center*	Filter Products
Missouri		
Annapolis	Plant, Quarry	Mineral Products
New Jersey		
Bound Brook	Sales Office*	Specialty Derivative Chemicals
Chatham	Plant, Sales Office*, Research Center	Specialty Derivative Chemicals
Wayne	Sales Office, Administrative Office, Research Center	Specialty Derivative Chemicals
		Mineral Products
		Advanced Materials
Pennsylvania		
Blue Ridge Summit	Plant, Quarry	Mineral Products
Texas		
Seadrift	Plant	Specialty Derivative Chemicals
Texas City	Plant	Specialty Derivative Chemicals
Wisconsin		
Pomfret	Plant, Quarry	Mineral Products
INTERNATIONAL		
Belgium		
Sint-Niklaas	Plant, Sales Office, Distribution Center	Specialty Derivative Chemicals
		Filter Products
Brazil		
Sao Paulo	Plant*, Sales Office*, Distribution Center*	Specialty Derivative Chemicals
		Filter Products
Canada		
Mississauga, Ontario	Plant*, Sales Office*, Distribution Center*	Specialty Derivative Chemicals
		Filter Products
Great Britain		
Grifford	European Headquarters*, Research Center*	Specialty Derivative Chemicals
Singapore		
Seahpoint	Sales Office*, Distribution Center*, Asia Pacific Headquarters*, Warehouse*	Specialty Derivative Chemicals
		Filter Products
Affiliate:		
GAFF-Huls Chemie GmbH	Plant, Sales Office	Specialty Derivative Chemicals
Muhl, Germany		

* Leased Property

The Company believes that its plants and facilities, which are of varying ages and are of different construction types, have been satisfactorily maintained, are in good condition, are suitable for the Company's operations and generally provide sufficient capacity to meet the Company's production requirements. Each plant has adequate transportation facilities for both raw materials and finished products. In 1991, the Company invested \$34.4 million in new plant, property and equipment.

Item 3. Legal Proceedings

The Company has certain liabilities under New Jersey statutes and regulations relating to the closing of its plant in Linden, New Jersey (the "Linden Site"). In June 1989 and June 1990, the Company entered into two Administrative Consent Orders (the "ACOs") with the New Jersey Department of Environmental Protection and Energy ("NJDEPE") under the New Jersey Spill Compensation and Control Act, among other New Jersey laws, which establish deadlines for the Company to (i) comply with surface water discharge

standards and (ii) develop a remediation plan for the Linden Site. Pursuant to the latter ACO, the Company posted letters of credit aggregating \$7.5 million to cover the anticipated costs of remediation; however, there can be no assurance as to the actual costs that will be incurred in connection with such remediation.

The Company is a party to a variety of proceedings and lawsuits involving environmental matters, including being named as defendant, respondent or a potentially responsible party, together with other companies, under CERCLA and similar state laws, in which recovery is sought for the cost of cleanup of contaminated waste disposal sites. These proceedings and lawsuits are, for the most part, in the early stages and, due to the practices of waste disposal haulers and disposal facilities prior to adoption and implementation of the environmental laws and regulations, evidence is difficult to obtain or evaluate.

The Company is seeking dismissal of a number of the lawsuits and proceedings on the ground that there appears to be no substantial evidence of the Company's responsibility for any hazardous waste present at certain of the sites in question. At each site, the Company anticipates, although there can be no assurance, that liability, if any, will eventually be apportioned among the companies found to be responsible for the presence of hazardous waste at the site. Based on facts presently available, it is not possible to predict the eventual cost to the Company in these matters. In the opinion of management, these matters should be resolved gradually over a period of years for amounts that in the aggregate will not be material to the business or financial position of the Company.

The Company has an agreement with its comprehensive general liability insurers to cover, under a reservation of rights, the majority of the Company's liability and expenses in connection with these administrative proceedings and lawsuits. Pursuant to the agreement, the insurers pay costs of the Company in defending these administrative proceedings and lawsuits and reimburse the Company for more than a majority of its liabilities. Each insurer who is a party to this agreement is rated at least "A" by a leading independent insurance rating service, as a result of which the Company believes that the insurers have the ability to make payments pursuant to the agreement, although no assurance can be given. The Company also believes that the amount of insurance available under the policies pursuant to which the expenses and liabilities are being paid will be sufficient to cover the Company's expenses and that portion of the Company's estimated liability agreed to be paid by such insurers. In addition, the Company has established a reserve to cover costs in connection with these administrative proceedings and lawsuits.

The Texas Water Commission ("TWC") has filed an amended administrative enforcement petition with respect to the Company's Texas City, Texas manufacturing facility seeking a revised civil penalty of \$601,200 for alleged violations of TWC financial assurance requirements, a failure to complete closure of regulated waste units in accordance with closure plan schedules and improper maintenance of two waste container storage areas. The Company is currently contesting the alleged violations and, although it is not possible to determine what the ultimate amount of the civil penalty, if any, will be, based on on-going discussions with the TWC, the Company believes that it will be lower than the amount sought in the enforcement petition which is based in part upon the length of time that the violations have been pending.

On March 8, 1990, GAF and a former GAF officer, without admitting or denying the allegations in a proposed complaint by the Securities and Exchange Commission, consented to the entry of judgments enjoining GAF and its subsidiaries (which include the Company) and their respective directors and officers from violating Sections 10(b), 13(b)(2)(A) and 13(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act"), and Rules 10b-5 and 13b2-1 thereunder, and from aiding and abetting violations of Sections 13(b)(2)(A) and 13(d)(2) of the Exchange Act and Rule 13d-2 thereunder. GAF also paid a fine of \$1.25 million in connection with the judgments. The proposed complaint arose out of allegations that defendants attempted to increase the price of Union Carbide Corporation ("Union Carbide") common stock on October 29 and 30, 1986, in connection with the disposition by GAF of a portion of its Union Carbide stock position.

For information regarding asbestos litigation against GAF, see Note 16 to the Consolidated Financial Statements contained in the Company's Annual Report incorporated herein by reference.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of 1991.